



Banner Fundamentals: What is the FOAPAL?

What is FOAPAL?

- Banner is the world's most widely used collegiate administrative system suite. Here at VCU, Banner integrates the student, finance and human resource systems. Banner Finance was specifically designed for higher education fund accounting and is the University's central repository for all financial data.
- Public universities are required to separate and report on the different types of funding that it earns or receives. In order to sort and classify financial transactions, the University uses a Chart of Accounts system. The Chart of Accounts allows for the identification of: state versus federal versus local funds; restricted versus unrestricted funding, ownership versus agency funds, etc.
- In Banner, the Chart of Accounts is manifested in the FOAPAL, which acts as a blue print or a routing number to properly sort and classify revenues and expenditures.

What is FOAPAL?

Chart of Accounts elements:

Fund – General Ledger

Organization – Operating Ledger

Account – Expenditures and other classifications

Program – Functional category of expense for reporting

Activity – *Not currently used by VCU*

Location – Identifies a Fixed Asset Location

FOAPAL-Fund



The **fund** is a self-balancing set of accounts reflecting assets, liabilities and Fund balance.

FOAPAL-Fund

- The Fund is a 6 digit code that identifies the source of revenue, and whether it is restricted or unrestricted in use.
- The Fund operates as the general ledger and contains information about assets, liabilities, revenue/expenditures controls, and fund balances.
- The Fund is tied to subordinate expenditure organizations used in Banner. Budget, revenue and expenses that occur in the related organization codes create the assets, liabilities, controls and balances in the Fund. This Fund to organization relationship can be one to one, or one fund with many subordinate organization codes.
- Funds have a three level hierarchy. This hierarchy can be viewed using Banner form **FTIFNDH**.
- Activity occurring in the Fund can be viewed on Banner forms **FGITBAL** and **FGIGLAC**.

FOAPAL-Fund

Banner Form **FTIFNDH** displays fund hierarchy (how funds roll up to higher levels). Higher levels have fewer digits and are used for reporting purposes.

Oracle Developer Forms Runtime - Web: Open > FTIFNDH

File Edit Options Block Item Record Query Tools Help

Fund Hierarchy Query FTIFNDH 7.0 (PROD)

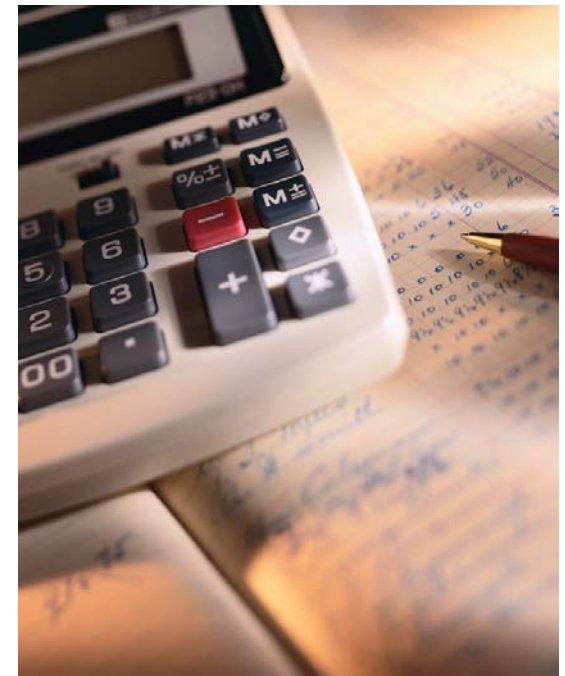
COA: V Fund: 9100EG E and G General

Predecessor Fund: 90005 Educational & General

Fund Group	120	Educational & General
Fund Classification	90005	Educational & General
Grant and Project	9100EG	E and G General
Reserved		
Reserved		

FOAPAL-Organization

- The 6 digit Organization code, often called the Org, is the operating ledger and where the financial activity occurs. Budget, revenues, expenditures and encumbrances(your commitments) occur and are recorded in the Organization.
- Organization codes are assigned to University executive levels, VP levels, schools and departments through the use of Banner hierarchy levels. Each organization is tied to fund, identifying the funding source, and a program that identifies how the funding is used. Organization hierarchy can be viewed on Banner form **FTIORGH**.
- Org (operating Ledger) activity can be viewed on Banner forms **FGIBDST**, **FGIBDSR**, **FGIBSUM** and **FGIBAVL**.



FOAPAL-Organization

Oracle Developer Forms Runtime - Web: Open > FTIORGH

File Edit Options Block Item Record Query Tools Help

Organization Hierarchy Query FTIORGH 7.0 (PROD)

COA: Organization: Financial Reporting

Predecessor Organization: Financial Reporting

University	U	University
Executive Level	D	SVP Finance and Administration
Senior Mgt Level	23	AVP Finance and Administration SML
Major Budget Unit	109	University Controller MBU
Department	1805	Financial Reporting
Sub-Dept/Security	18050	Financial Reporting
Budget	121101	Financial Reporting
Time Sub Unit		

Record: 1/1

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Banner form **FTIORGH** shows how an individual 6 digit Organization (org code) rolls up to higher University levels.

FOAPAL-Organization

Banner form **FGIBDST** is the most commonly used form to look at an Organization's Current Budget, Revenues, Expenditures, Commitments (encumbrances) and Available Balance.

Oracle Developer Forms Runtime - Web: Open > FGIBDST

File Edit Options Block Item Record Query Tools Help

Organization Budget Status FGIBDST 8.4 (PROD)

Chart: V
 Fiscal Year: 12
 Index: HQ1129

Query Specific Account
 Include Revenue Accounts

Commit Type: Both

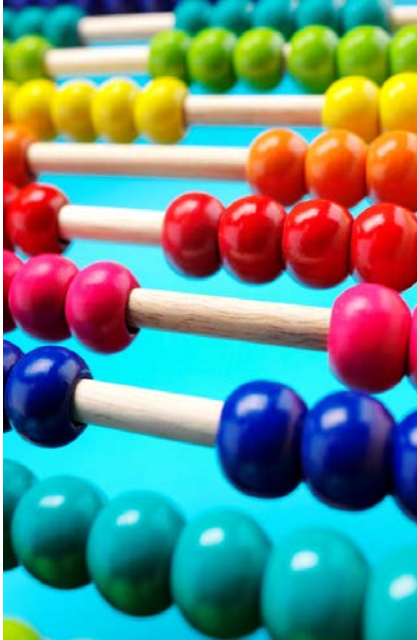
Organization: HQ1129 Fashion Design Department
Fund: 5022ES L and G General
Program: 2000 General Academic
Account:
Account Type:
Activity:
Location:

Account Type	Title	Adjusted Budget	YTD Activity	Commitments	Available Balance
400152	R Other Tuition Spring	0.00	686.81	0.00	-686.81
400161	R Fees Non Cr Course	0.00	1,098.90	0.00	-1,098.90
400630	R Other Educ Gen Income	0.00	9,607.64	0.00	-9,607.64
51111	L Teaching Research Faculty	807,466.00	0.00	0.00	807,466.00
511110	L Teaching Research Faculty	0.00	340,098.33	0.00	-340,098.33
51118	L Teaching Research Fac Frin	-4,683.00	0.00	0.00	-4,683.00
511180	L T R Faculty FB Full Time	0.00	80,093.24	0.00	-80,093.24
511181	L T R Faculty FB Part Time	0.00	3,691.93	0.00	-3,691.93
52011	L Classified Staff	113,944.00	0.00	0.00	113,944.00
520145	L VCQ Local Salaries	0.00	99,157.69	0.00	-99,157.69
52018	L Classified Staff Fringe Bene	-3,076.00	0.00	0.00	-3,076.00
53011	L Hourly	51,936.00	0.00	0.00	51,936.00
Net Total:		-1,116,017.00	-794,938.98	7,487.73	

Dup Item for Detail, Count Query for Orgn. Summary, Dup Rec for Encum. List
 Record: 1/33 <OSC>

FOAPAL-Account

The Account is a 5 or 6 digit code that identifies the type of activity occurring in a fund or organization.



Activity is identified by the first digit:

- 1=Asset Accounts for Funds
- 2=Liability Accounts for Funds
- 3=Fund Balances and Control Accounts for Funds
- 4=Revenue Accounts for Organization Codes
- 5=Labor (salaries, fringe benefits, etc.) Accounts for Organization Codes
- 6=Other Cost Accounts (supplies, services, non-labor) for Organization Codes
- 7=Equipment and Capital Project Construction Accounts for Organization Codes
- 9=Transfer Accounts for Organization Codes

Banner account 620012, for example identifies a payment, encumbrance or other transaction for office supplies.

FOAPAL-Account

Transactions are recorded in 6 digit accounts. Budget is often recorded in 5 digit summary accounts known as Budget Pools. See the example below.

Oracle Developer Forms Runtime - Web: Open > FGIBDST

File Edit Options Block Item Record Query Tools Help

Organization Budget Status FGIBDST 8.4 (PROD)

Chart: V
 Fiscal Year: 12
 Index: 121101

Organization: 121101 Financial Reporting
 Fund: 9100EG E and G General
 Program: 5100 Fiscal Operations
 Account:
 Account Type:
 Activity:
 Location:

Query Specific Account
 Include Revenue Accounts

Commit Type: Both

Account	Type	Title	Adjusted Budget	YTD Activity	Commitments	Available Balance
60000	E	Contractual Services	15,650.00	0.00	0.00	15,650.00
600080	E	Technical and Computer Co	0.00	0.00	9,000.00	-9,000.00
600087	E	Personnel Mgmt Svs	0.00	0.00	0.00	0.00
60016	E	Other Services	2,000.00	0.00	0.00	2,000.00
600212	E	VITA Computer Oper Servis	0.00	84.25	0.00	-84.25
62000	E	Supplies	22,000.00	0.00	0.00	22,000.00
620002	E	Undistributed Charge Card	0.00	2,480.38	0.00	-2,480.38
620012	E	Office Supplies	0.00	3,227.34	0.00	-3,227.34
620014	E	Books Other Than Professic	0.00	340.50	0.00	-340.50
620018	E	Computers less than 5,000	0.00	13,140.91	0.00	-13,140.91
620027	E	Fuel University Vehicles and	0.00	66.10	0.00	-66.10
63000	E	Telephone and Network Co	9,000.00	0.00	0.00	9,000.00
Net Total:			-1,932,332.00	-898,171.30	9,000.00	

Sup Item for Detail, Count Query for Orgn. Summary, Dup Rec for Encum. List
 Record: 15/51 | ... | <OSC>

FOAPAL-Program

- The Program represents the functional category of expenses for reporting purposes.
- The Program designates how an Organization (Org Code) is used. Program categories are:

Instruction (2000-2400)

Research (2600 – 2740)

Public Service (2800-2810)

Academic Support (3000 – 3600)

Student Services (4000 – 4500)

Institutional Support (5000 – 5400)

Maintenance and Operation of Plant (6000)

Scholarship and Fellowships (6500-6700)

Auxiliary Enterprises (7000 – 7225)

Hospital Support (8500)

Other (9100 – 9998)



FOAPAL-Activity

This FOAPAL element is currently not being used by VCU. It could be used in the future to identify certain types of activity that would aid in Financial Reporting.



FOAPAL-Location

The Location code is a six digit code used in the Fixed Assets Module. It identifies the location of equipment.



Banner Index Codes

- Many Banner forms use the Banner Index field to retrieve and post information. Index codes were developed to save time and ensure that data is accurately entered into Banner. An Index is the same 6 digit code as a 6 digit organization (org code) and defaults to a unique combination of Fund, Org (organization), and Program code that represent part of the FOAPAL in Banner.
- The Banner FOAPAL can be a complex concept to grasp, but here is a simple way to think of how transactions are organized by the FOAPAL:
 - I made a purchase using this money (**FUND**) for my department (**ORG**). I purchased this type of product or service (**ACCOUNT**) to fulfill this particular function (**PROGRAM**).
- An index code can be compared to a bank account number. When you provide a bank with your account number, the bank knows who you are and the routing number to which account your money is to be deposited or withdrawn. In the same way, when you provide Banner with an Index code, Banner knows your Org, and to which Fund and Program your Org's money is to be deposited or withdrawn.

Banner Index Codes

Organization Type	Banner Index/Org Code Range	Fund Source
Education & General Operating	1XXXXX	State Funds
Qatar Operating Accounts	HQXXXX	State Funds
FACR	2XXXXX	State Funds
HEETF	EFTXXX	State Funds
Auxiliary Enterprises	31XXXX-35XXXX	State Funds
Auxiliary Enterprises	36XXXX-39XXXX	Local Funds
Unrestricted Local	4XXXXX	Local Funds
Sponsored Programs	5XXXXX	State Funds
General Fund Appropriations	AXXXXX	State Funds
Service	CXXXXX	State Funds
General Fund Scholarships	FAXXXX	State Funds
Eminent Scholars General Fund	SAXXXX	State Funds
Eminent Scholars Foundation	SSXXXX	State Funds
Pool Accounts	TXXXXX	State Funds
Work Study	WXXXXX	State Funds
Restricted Local	6XXXXX	Local Funds
Federal Financial Aid	FFXXXX	State Funds
Moving and Relocation Accounts	PRXXXX	State Funds
Agency Fund	8XXXXX	Agency Funds
Hospital Services	H8XXXX	State Funds

LEDGERS

Banner indexes (org codes) are grouped by type. The first one to three digits identifies the ledger and type of organization.

State Fund Indexes-Ledgers 1, 2, 3, 5, H8, etc. State rules apply to these indexes. State regulations prohibit many types of expenses including alcohol, entertainment, social club memberships, Christmas expenditures, gifts or donations. Since these funds belong to the Commonwealth, departments are prohibited from processing expense transfers that charge (debit) a state index and credit a local index.

Local Fund Indexes-Ledgers 3, 4, and 6. In this case, the money in these orgs belongs to the University and is generally earned through gifts, investment income or income on endowments. Local fund indexes have fewer restrictions on expenditures.

LEDGERS

Agency Fund Indexes-Ledger 8. The cash in these orgs belong to student, faculty or other organization. The University has no claim on these funds, but rather acts as the paymaster for these organizations.

Next, we'll discuss the different ledgers in more detail.

Ledger Types

1 Ledgers – Educational & General Funds (State Funds)

Educational and General Programs include academic programs and support services. Revenues are derived mainly from state appropriations and student tuition and fees. E&G funds are budgeted on a fiscal year basis (July 1 through June 30).

10XXXX – E&G Revenue indexes are used with revenue accounts (tuition and fees)

1XXXXX – E&G Expenditure indexes are used to record operating expenses. These indexes accept revenue and expenditure accounts. This ledger is for budgeted organizations, and it is critical to stay within the Adjusted Budget. The Adjusted Budget is the expenditure authority.

HQXXXX indexes also fall under the 1 ledger category and are reserved for the Qatar campus.

Ledger Types

2 Ledgers – Facilities and Cost Recoveries-FACR (State Funds)

Indexes **2XXXXX** are restricted in use to research, research support and depreciation set aside. These funds are the result of recoveries of indirect cost associated with sponsored programs. FACR funds are budgeted on a fiscal year basis (July 1 through June 30).

No direct cash deposits are made to the organization codes. Budget is loaded by Budget & Resource Analysis. The budget represents 70 percent of the indirect cost associated with sponsored programs. It is critical to stay within the Adjusted Budget. The Adjusted Budget is the expenditure authority.

No revenue may be transferred to or from indexes in the 200000 to 299999 range from other organizations (i.e., can't move revenue from 1 ledgers to 2 ledgers, or vice versa). These organizations may not be utilized for revolving or clearing accounts.

Unexpended budget balances can carry over to the next fiscal year, at the discretion of the executive level Vice President.

EFTXXXX indexes are also in the 2 ledger category. These indexes are used to record Higher Education Equipment Trust Fund (HEETF) expenditures. The funding is provided by the state to purchase equipment for instruction and research.

Ledger Types

3 Ledgers – Auxiliary Enterprises (State or Local Funds)

The indexes in the **3XXXXX** range make their own revenue from sales and services to students, faculty and staff (i.e., food services, housing, parking, intercollegiate athletics, etc.).

For state fund auxiliaries, the budget is loaded by Budget & Resource Analysis. State auxiliaries are budgeted on a fiscal year basis (July 1 through June 30).

Since auxiliary enterprises are essentially run as self-supporting businesses, they are dependent on earned revenues and accumulated cash. For these indexes, it is critical to monitor corresponding fund balances in the general ledger (**F**und in the FOAPAL).

Auxiliary indexes in the **31XXXX** to **35XXXX** range are considered State Funds.

Auxiliaries in the **36XXXX** to **39XXXX** range are considered local or University Funds.

Ledger Types

4 Ledgers – Unrestricted Local Funds (Local University Funds)

4XXXXX indexes are funded through gifts, investment earnings, foundation support and other transfers. They are considered unrestricted since no donor restrictions have been placed on the use of the funds. The [University's Allowable/Non-allowable Expenditure Policy](#) would still apply, however. You can find the policy on the Procurement Services website.

University fund indexes are supported by cash deposits. The budget balance available in the Banner system equals the actual cash balance. Once the balance is spent, no further funds are available unless other deposits are made. Due to their nature, Local Funds should be the last source of funds used by a department.

Unrestricted local funds are not budgeted. Any remaining cash (budget) balances at fiscal year end will roll forward into the next fiscal year as Adjusted Budget.

No mixing of State and Local funds is allowed (i.e., expense transfers that debit a state index and credit a local index). The only exception to this policy is the original charges of approved service centers and administrative units providing support services to organizations.

Ledger Types

5 Ledgers – Grants and Contracts (State Funds)

Sponsored Program activity occurs in 5XXXXX indexes. These indexes are used for sponsored research agreements, either reimbursable or fixed price. The sponsors can be Federal, state or private industry. State rules apply despite the sponsor.

Since grants awards often apply to more than one year or expenses occur over more than one year, sponsored programs should be monitored on a project to date basis rather than fiscal year. Budget is loaded by Grants & Contracts Accounting for both fiscal year (July 1 through June 30) and project to date.

Journal vouchers for expense transfers to grant indexes must be made within 60 days of the month the original charge posted.

The Grants and Contracts category includes other special purpose indexes that are not sponsored activity: FAXXXX, FFXXXX, SAXXXX, SSXXXX, AXXXXX, CXXXXX, WXXXXX and TXXXXX.

Ledger Types

6 Ledgers – Restricted Local Funds (Local University Funds)

Like 4 ledgers, **6XXXXX** indexes are funded through gifts, investment earnings, foundation support and other transfers. They are considered restricted because donors have placed restrictions on the use of the funds. Department heads and fiscal administrators are responsible for ensuring that expenditures are made in accordance with the restrictions or designated purposes of these funds. Common types of restricted University indexes are scholarships and research fellowships.

No budget is loaded in these indexes, as they are supported by cash. Once it's spent, it's gone. Budget balance available equals cash available. Budget balances at fiscal year end roll forward to the next fiscal year as Adjusted Budget.

Ledger Types

7 Ledgers – Plant Funds (State Funds)

Plant Funds are used for construction, renovation, or maintenance of land, buildings and equipment. Series **7XXXXXX** are indexes used to record capital project expenditures. They operate similar to 5 ledgers, on a project to date basis, rather than strictly fiscal year basis.

Also included in Plant Funds are indexes **PRXXXX**. These are renewal and replacement reserves used to accumulate funding for the replacement of assets over \$50,000.

Ledger Types

8 Ledgers – Agency Funds (Agency Funds)

These indexes are used for funds that belong to others, such as faculty or student organizations. The University has no claim on the funds, but acts as the paymaster.

Agency funds are similar to University funds and operate on a cash basis. No budget is loaded in these indexes.

There are various indexes within this group:

H88XXX – Hospital Operating Service Agreements (OSA) between University service departments and VCU Health System

H89XXX – Hospital Clinical, Educational, and Research Service Agreements (CERSA) between Health Sciences Schools and VCUHS

881XXX – School of Medicine Clinical for MCV Physicians services

880XXX and **882XXX** indexes are for student & faculty organizations. These indexes are for legitimate organizations and not to accumulate funds (i.e., coffee fund). These indexes are also used for conferences, seminars and symposiums hosted by an outside organizations.